## East Bay

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## \$400,000 grant surprises town officials

ird sanctuary applied or money to buy land on neighboring estate

By STEPHEN HEFFNER
Journal-Bulletin Staff Writer

MIDDLETOWN — The state has varded \$400,000 to the town for a possible purchase of conservant easements and open land on the acre Gray Craig estate for the neighboring Norman of Sanctuary, Governor DiPrete's lice announced yesterday.

But the grant surprised town offiis, who said they weren't aware any application for the money. Barry Murphy, a member of the

Barry Murphy, a member of the actuary's advisory committee also as surprised. He said the sancturapplied for the grant three onths ago, but expected the mon-

## MIDDLETOWN

ey to be given to the sanctuary, not to the town.

No one was available for comment in the governor's office.

Town Administrator Charles Roberts, Town Council President Philip Coen, and Councilman Peter Grimes, chairman of the town's open space committee, all said the grant was news to them.

"It's a complete surprise to me," said Coen. "I knew we were involved with a group from the sanctuary that was hoping to do something with Gray Craig. We talked about how the town could never pay for the whole thing and about where we would get other monies, and that was way it was left. We never said anything that, yes, some-

body would put in for so much mon-

Murphy said an application was made as the sanctuary negotiated for about 35 acres from a group of developers, led by Robert Kempenaar, who own Gray Craig. Kempenaar's group bought the former Van Beuren estate three years ago for \$3.5 million, and they proposed a 56-unit condominium development on the property.

The sanctuary objected to the proposal, saying it would adversely affect bird habitats, and supporters began to look for ways to preserve the estate.

Last spring, Massachusett investor Charles Dana offered to buy the main house and 26 acres of the estate in a deal that is scheduled to close today. Dana said yesterday that he also began working with the sanctuary and Kempenaar to reduce the number of units on the property and to allow the sanctuary to buy conservation easements and part of the land.

The price, according to Dana, is \$1.15 million. Murphy said that the sanctuary is hoping that the town can contribute a portion of the cost and that the remainder can be raised through foundation grants and private donations.

While noting that voters last year authorized a \$1 million bond issue for buying open land. Coen cautioned that the town could not use the money at Gray Craig without retaining ownership of whatever was purchased.

"If the town came up with money, we would have to have control of what we paid for," sald Coen.

## Wharf decision a loss for watchdog

State agency OKs waterfront condo, marina project

By KARIMA A. HAYNES Journal Bulletin Staff Writer

NEWPORT — In the long battle over waterfront development, perhaps no individual has spoken more forcefully in favor of preserving public access to the water than Mary Ferrazzoll.

For the past seven years, Ferrazzoli has been a fixture at Newport

Lawyer: